PAUL, WEISS, RIFKIND, WHARTON & GARRISON LLP

1285 AVENUE OF THE AMERICAS NEW YORK, NEW YORK 10019-6064

TELEPHONE (212) 373-3000

LLOYD & GARRISON (1946-1991) RANDOLPH E PAUL (1946 1956) SIMON H RIFKIND (1950-1995) (1927-1950) LOUIS S WEISS JOHN F WHARTON (1927-1977)

WRITER S DIRECT DIAL NUMBER

(212) 373-3163

WRITER 5 DIRECT FACSIMILE (212) 373-2621

WRITER S DIRECT E-MAIL ADDRESS jaycohen@paulweiss.com

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By Hand Delivery

UNIT 3601 OFFICE TOWER A, BEIJING FORTUNE PLAZA

12TH FLOOR HONG KONG CLUB BUILDING

CHIYODA-FU TOKYO 100-0011 JAPAN

77 KING STREET WEST SUITE 3100

500 DELAWARE AVENUE SUITE 200

DOCKET FILE COPY ORIGINAL TO THE NEW YORK BAR

IARRISON LLD

I.A. BEIJING FORTUNE PLAZA
7 DONOSANHUAN ZHONOS DE CHAOYANG DISTRICT
BEIJING 100020
EOPLE S REPUBLIC OF CHINA
LLEPHONE (86-10, 5928-6300

HONG KONG CLUB BUILDING
3A CHATER ROAD CENTRAL
HONG KONG
TELEPHONE (852; 2846-0300

ALDER CASTLE
LONDON ECZY 7JU U K
FELEPHONE (44 20, 7367 1600

FUKOKU SEIMEI BUILDING
2-2 UCHISAIWAICHO 2-CHOME
DA-YU TONYO 100-0011 JAPAN
TELEPHONE (81 3; 3597-8101

TORONTO-DOMINION CENTRE
KING STREET WAY
WASHINGTON, DC 20006-1047
TELEPHONE (202; 223-7300

DELAWARE AVENUE SUITE 200
POST OFFICE BOX 32
WILMINGTON DE 20006-1047
TELEPHONE (202; 223-7300

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TORONTO-OBMINICATIONS COMMISSION
OFFICE BOX 32
WILMINGTON DE 19099-0032
TELEPHONE (201) 555-4410

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Office of the Secretary

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TORONTO-OBMINICATION COMMISSION
OFFICE BOX 32
WILMINGTON DE 19099-0032
WILMINGTON DE 19099-0032
TELEPHONE (201) 555-4410

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Federal Communications Commission
Office of the Secretary

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TORONTO-OBMINICATION COMMISSION
OFFICE BOX 32
WILMINGTON DE 19099-0032
WILMINGTON DE MATTHEW W ABBOTT EDWARD T ACKERMAN JACOB A ADLERSTEIN ALLAN J ARFFA ROBERT A ATKINS DAVID J BALL SCOTT A BARSHAY

JONATHAN S KANTER
ROBERTA A KAPLAN
BRADS NARP
BRADS NARP
BRADS NARP
BRADS NARP
BRADS NARP
BRADS NARP
BRATRICK N KARSNITZ
JOHN C KENNEDY
BRIAN KIM
DAVID M KLEIN
DAVID M KLEIN
BRIAN KIM
DAVID M KLEIN
JOHN E LANGE
GREGORY F LAUFER
BRIAN C LAVIN
BRIAN C LAVIN
BRIAN C LAVIN
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BRIAN C LAVIN
BRIAN C LAVIN
JOHN E LANGE
GREGORY F LAUFER
BRIAN C LAVIN
JOHN B MARELL
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DAVID W MAYO
LIZABETH R MELSOHN
MARKINE MELSOHN
WALLIAM B MICHAEL
JUDIE NG SHORTELL*
CATHERINE NYARADY
JANE B O BRIEN
ALEX YOUNG K OH
REALEY OF PARKER
LORIN L REISNER
LORIN L REISNER
LORIN L REISNER
LORIN L REISNER
WALTER G RICCIAR DI
WALTER RIEMAN
ANDREW N ROSENBERG
JACQUELINE P RUBIN
CHARLES F RICK RULE*
RAPHAEL M RUSSO
TERRY E SCHIMER
JOHN M SCOTT MSHAR
STEVEN SIMKIN
JOSEPH J SIMONS
AUDRAY B SARNOSTER
MOSES SILVERMAN
STEVEN SIMKIN
JOSEPH J SIMONS
AUDRAY B SCHUMER
LORIN M SONTONE
AUDRAY B SCHUMER
JOHN SCOTT MSHAR
STEVEN SIMKIN
JOSEPH J SIMONS
AUDRAY B SCHUMER
LAWRENCE I WITDORCHIC
MARK B WLAZLO
LAWRENCE G WEE
LHAMBON WOOD
JULIA MASON WOOD
JULIA MASON

Federal Communications Commission 445 12th Street, SW Washington, DC 20554

> Game Show Network, LLC v. Cablevision Systems Corporation, Re:

> > MB Docket No. 12-122, File No. CSR-8529-P

To the Commission:

Pursuant to Section 1.277 of the Commission's Rules, 47 C.F.R. § 1.277(c), we write to request oral argument on Cablevision Systems Corporation's ("Cablevision") Exceptions to the Initial Decision of the Chief Administrative Law Judge ("ALJ") in the above-captioned action.

Cablevision respectfully submits that oral argument will assist the Commission in assessing the complex factual and legal issues presented by this case. As the Commission noted in connection with its order extending the page limit for briefing, "[t]he Initial Decision is based on a large record and addresses a number of complex factual and legal questions related to carriage of video programming."1

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See Game Show Network, LLC v. Cablevision Sys. Corp., Order, DA 16-1393 (OGC rel. Dec. 15, 2016).

As the briefing on the Exceptions reveals, there are sharp differences between the positions advanced by Cablevision and Game Show Network, LLC ("GSN") that would benefit from oral argument before the Commission. Those differences include the following:

- Standard of Review: Cablevision submits that it is entitled to a full *de novo* review of the Initial Decision by the Commission, particularly because the case does not turn on assessments of witness credibility to which the ALJ is afforded a degree of deference. GSN has argued for a more deferential review, an argument which we believe to be contrary to the law.
- Direct Evidence Standard: The ALJ applied a new, incorrect standard for "direct" evidence of discrimination predicated merely upon Cablevision's purported disparate treatment of affiliated and non-affiliated networks, a standard that GSN urges the Commission to adopt. By contrast, as we show in the Exceptions, Commission precedent is clear that direct evidence of discrimination consists of only "smoking gun" evidence that *compels* the conclusion that an MVPD discriminated on the basis of affiliation. And, contrary to the position advanced by GSN, nothing in Section 616 requires an MVPD to consider taking an adverse carriage action against its affiliated networks before doing so to a non-affiliated network. GSN wrongly argues that Cablevision was so obligated.
- *Tennis Channel*: The ALJ fundamentally erred in failing to apply the governing "net benefit" test from the D.C. Circuit's *Tennis Channel* opinion. GSN urges the Commission to correct the ALJ's error by arguing for a three-prong alternative test that *Tennis Channel* did not establish and that, in any case GSN cannot meet.
- Similarly Situated: In finding there to be circumstantial evidence of carriage discrimination, the ALJ failed to consider all of the relevant factors laid out by the Commission in determining network similarity. GSN urges the Commission to affirm the ALJ's cherry-picking of the evidence. However, a *de novo* review of the entire record that GSN seeks to avoid reveals that the ALJ ignored a number of critical factors expressly identified in Commission rules and prior program carriage cases that, if considered, lead to the conclusion that GSN is not similarly situated to WE tv or any other network that was affiliated with Cablevision.
- Unreasonable Restraint: There is no substantial evidence to support the ALJ's finding that GSN's ability to compete was unreasonably restrained by Cablevision's carriage decision. GSN's contentions concerning harm fly in the face of the clear evidence demonstrating that GSN otherwise is a thriving fully distributed network with increased subscribership, revenues, and profits.
- **First Amendment**: Because Cablevision is no longer vertically integrated with any affiliated network as a result of a post-trial corporate transaction separating it from the networks that the ALJ (erroneously) found to be similarly situated to GSN, there

remains no conceivable substantial government interest in regulating Cablevision's speech to protect GSN from any prospective harm arising from vertical integration. Accordingly the ALJ's carriage remedy, a forward-looking injunction, is not supportable.

Cablevision stands ready to present argument on these and any other issue at the convenience of the Commission.

Respectfully submitted,

Jay Cohen

Counsel for Cablevision Systems Corporation

cc: Counsel of Record (by email)